



Procedure: Cash Advances

Functional Area: V Nutrition Services and Administration

Section: C 3

Citation: 146.14(a); 7 CRF 3016

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Purpose

Outline process by which local agencies may request and receive cash advances.

Annual Rolling Cash Advance

- A. Local agencies that operate WIC Programs may request an annual rolling cash advance to provide a balance of funds on hand to cover expenditures for one month.
 1. Requests for, or changes to a current rolling cash advance should be made to the State Agency in writing.
 - a. Include the amount of rolling advance requested.
 - b. If the agency is requesting an increase in their rolling cash advance, include the current cash advance and the amount being requested for the new cash advance.
 2. The rolling cash advance amount may be up to two (2) times the agency's monthly expenditures, not to exceed 1/6 of the grant award.
 3. The rolling cash advance request will require approval by the State Agency Budget Officer.
- B. If the local agencies balance of funds on hand at any time is greater than the cash advance authorized; reimbursement will be delayed until the balance equals current disbursement needs.
- C. The local agency's authorized rolling cash advance is included in the agency award letter and then documented by the local agency each month on the Financial Status Report (FSR).
- D. The annual rolling cash advance may be carried forward to the following fiscal year. The local agency may request that the rolling advance be reconciled at the end of a fiscal year. The state agency may at any time require reconciliation at the end of each fiscal year to confirm financial recordkeeping and financial viability.
- E. Allow 45 days for processing and payment of a request for a rolling cash advance or change to a current rolling advance amount.

Single Month Cash Advance

- A. A local agency may request a cash advance for a single month.
 1. The request may be made if a local agency's projection of financial

Single Month Cash Advance (cont.)

expenditures is greater than the balance of funds on hand for the month requested.

2. The funds must be available within the agency's authorized grant for the year.
 3. If the local agency has already received the maximum allowed rolling advance (1/6 of the grant award), they will not be eligible for a single month cash advance over and above the rolling cash advance.
 4. The State reserves the right on a case by case basis to approve a single month case advance (over and above the 1/6 grant advance) for extraordinary circumstances such as a dramatic increase in caseload or emergency equipment needs.
 5. The agency must have submitted all Financial Status Reports to date for the fiscal year.
 6. The cash advance request must be submitted in writing to the State Agency.
 - a. Include the basis of the anticipated increase in expenditure; e.g., increase in travel cost due to a statewide meeting.
 - b. Include the specified amount of funds needed.
- B. Allow 45 days for processing and payment of a request for a onetime cash advance.
- C. The local agency will document the single month advance amount on the corresponding FSR.
- D. The single month advance will be reconciled with the next monthly billing (FSR) by the local agency, and deducted from the total to be reimbursed.

Breastfeeding Peer Counseling Grant

No cash advance is available for the Breastfeeding Peer Counseling grant due to different USDA reporting requirements
